



MACQUARIE AUSTRALIA CONFERENCE PRESENTATION & TRADING UPDATE

SYDNEY, 6 May 2015: Fairfax Media Limited [ASX:FXJ] Chief Executive Officer Greg Hywood will today deliver a presentation at the Macquarie Australia Conference in Sydney.

Presentation slides are attached.

Commentary will be lodged separately with the ASX.

Trading Update

The presentation contains updated FY15 H2 revenue trends for the Company for the period 1 January 2015 to 26 April 2015 (versus same period in the prior year):

Overall group revenues for continuing businesses are up just under 1% for the 1 January 2015 to 26 April 2015 period compared to the prior corresponding period.

While this is pleasing, it is important to note that we continue to incur costs to take advantage of growth opportunities.

Continuing businesses (which is not like-for-like) includes 100% of MMP (from February 2015) and 100% of the Macquarie Radio Network (from April 2015). 96FM has been excluded from FY15 and FY14 results following its divestment.

Revenues across our current reporting segments:

- Metro Media, which includes Domain, is up around 7%.
 - Publishing revenues are down 7%.
 - Domain's overall revenue is up 54% including the benefit of acquisitions (MMP from February 2015 and Allhomes from October 2014), with its total digital business up around 32% and domain.com.au up around 27%.
- Australian Community Media is down around 8%.
- New Zealand is up less than 0.5% including currency benefit.
- Radio is up 9% on a continuing business basis which excludes 96FM (which has been sold) and includes four weeks of the combined Macquarie Radio Network.

– ENDS –

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//6 MAY 2015

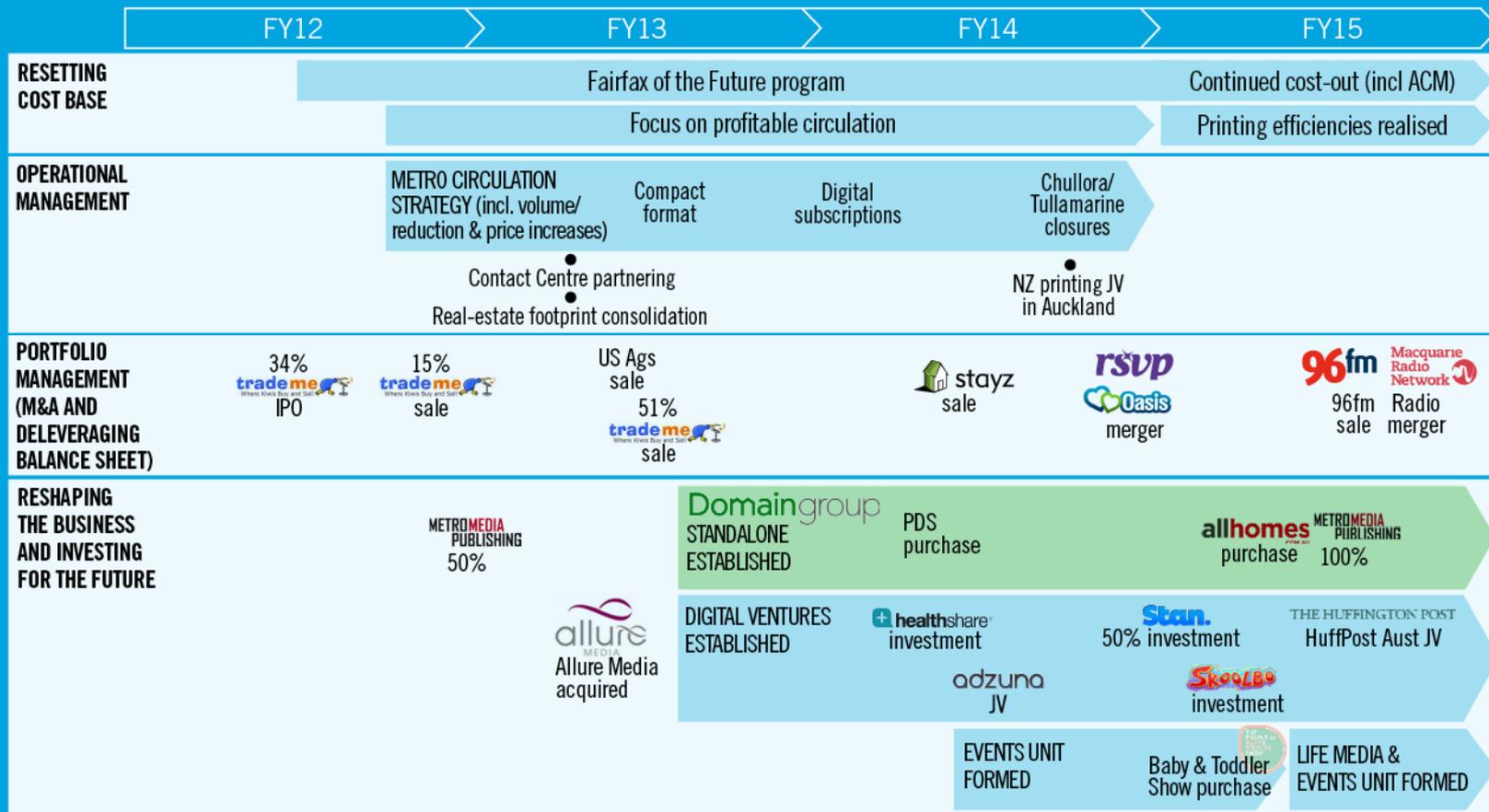
MACQUARIE AUSTRALIA CONFERENCE

GREG HYWOOD, CEO
DAVID HOUSEGO, CFO

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Fairfax Media

TRANSFORMATION MILESTONES



FAIRFAX MEDIA TRANSFORMATION

Building a stronger, more diversified media business



COST BASE
REDUCTION

-20%



EMPLOYEE
NUMBERS

-26%



PRINTING CAPACITY
UTILISATION

40%
→90%



REDUCTION
IN NET DEBT

\$1.16bn



INVESTMENT

\$250m+



TOTAL
AUDIENCE

10.5m

Notes (L-R): **Image 1** – Cost reduction initiatives (Fairfax of the Future and ACM transformation) as a percentage of FY12 cost base; **Image 2** – December 2014 versus December 2011; **Image 3** – Capacity utilisation of Sydney and Melbourne printing plants before and after the closure of Chullora and Tullamarine; **Image 4** – December 2014 versus December 2011; **Image 5** – January 2012-January 2014; **Image 6** – emma™ conducted by Ipsos MediaCT, people 14+ for the 12 months ending Feb 2015, Nielsen Online Ratings Feb 2015 people 14+ only. Last four weeks. Nielsen Online Ratings Feb 2015, Ppl 2+.

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Fairfax Media

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TRANSFORMING OUR BUSINESSES

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AUSTRALIAN METRO MEDIA
// LEADING METROPOLITAN NEWSPAPERS
AND DIGITAL MEDIA



AUSTRALIAN METRO MEDIA

Optimising print while growing core digital business and building value



CIRCULATION
REVENUE

+29%



DIGITAL
SUBSCRIBERS

158k+



PUBLISHING
OPERATING COSTS

-25%



ADJUSTED
EBITDA

+29%



PRINT ADVERTISING
% TOTAL REVENUE

34%

The Sydney Morning Herald
smh.com.au

AUSTRALIA'S NO.1
MASTHEAD AUDIENCE

5.2m

Notes (L-R): **Image 1** – Six months to December 2014 versus six months to December 2011; **Image 2** – As at 9 February 2015; **Image 3** – Six months to December 2014 versus six months to December 2011; **Image 4** – Six months to December 2014 versus six months to December 2011; **Image 5** – Six months to December 2014; **Image 6** – emma™ conducted by Ipsos MediaCT, people 14+ for the 12 months ending Feb 2015, Nielsen Online Ratings Feb 2015 people 14+ only. Last four weeks. Nielsen Online Ratings Feb 2015, Ppl 2+.

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DOMAIN GROUP
// REAL ESTATE MEDIA AND SERVICES



DOMAIN GROUP

Investing to build a stronger real estate media and services business



AGENT SUBSCRIBER
PENETRATION

92%



LISTINGS MARKET
PENETRATION

82%



MOBILE APP
DOWNLOADS

+268%



TOTAL
AUDIENCE

4m



DIGITAL
REVENUE GROWTH

99%



DIGITAL
EBITDA GROWTH

115%

Notes (L-R): **Image 1** – As at March 2015; **Image 2** – As at March 2015; **Image 3** – March 2015 versus March 2012; **Image 4** – emma™ conducted by Ipsos MediaCT, people 14+ for the 12 months ending Feb 2015, Nielsen Online Ratings Feb 2015 people 14+ only. Last four weeks. Nielsen Online Ratings Feb 2015, Ppl 2+; **Image 5** – Six months to December 2014 versus six months to December 2011; **Image 6** – Six months to December 2014 versus six months to December 2011.

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LIFE MEDIA & EVENTS

// LIFESTYLE MEDIA ASSETS AND EVENTS



LIFE MEDIA & EVENTS

Turbocharging travel, health, food, parenting and motoring products and events business



EVENTS
REVENUE

+79%



GROWTH IN NUMBER OF
CONSUMER EVENTS

13→23



GROWTH IN
PARTICIPANT NUMBERS

+2m



EMPLOYEE
NUMBERS

210%



LIFE MEDIA
AUDIENCE

4.6m

Notes (L-R): **Image 1** – Six months to December 2014 versus six months to December 2011; **Image 2** – 12 months to June 2015 versus 12 months to June 2013; **Image 3** – 12 months to June 2015 versus 12 months to June 2013; **Image 4** – April 2015 versus April 2012; **Image 5** – emma™ conducted by Ipsos MediaCT, people 14+ for the 12 months ending Feb 2015, Nielsen Online Ratings Feb 2015 people 14+ only. Last four weeks. Nielsen Online Ratings Feb 2015, Ppl 2+, Internal Social Media reports.

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DIGITAL VENTURES
// PORTFOLIO OF DIGITALLY-
FOCUSED ASSETS



DIGITAL VENTURES

Creating value through investment in digital opportunities and portfolio management



SALE OF STAYZ
FOR 16.8X
EBITDA MULTIPLE

\$220m



TOTAL
INVESTMENTS

\$32m

Stan.

STAN HAS
THE LARGEST
CONTENT LIBRARY

6,089



STAN HOURS
STREAMING
PER MONTH

1.5m+



STAN GROSS
SIGN-UPS
TRACKING TO

200k



TARGETED ACTIVE
SUBSCRIBERS
BY DECEMBER 2015

**300k
-400k**

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AUSTRALIAN COMMUNITY MEDIA

// LEADING RURAL AND REGIONAL
NEWSPAPERS AND DIGITAL MEDIA



AUSTRALIAN COMMUNITY MEDIA

Building a modern, stronger rural and regional media network



ANNUALISED COST
SAVINGS TARGET BY FY16

\$60m



EMPLOYMENT
ADVERTISING

-56%



OPERATING
COST REDUCTION

-17%



PRINT
READERSHIP

2.5m



DIGITAL
AUDIENCE

1.2m



NEWSNOW DIGITAL
AUDIENCE UPLIFT

+40%

Notes (L-R): **Image 2** – Six months to December 2014 versus six months to December 2011; **Image 3** – Six months to December 2014 versus six months to December 2011; **Images 4 and 5** – emma™ conducted by Ipsos MediaCT, people 14+ for the 12 months ending Feb 2015, Nielsen Online Ratings Feb 2015 people 14+ only. Last four weeks. Nielsen Online Ratings Feb 2015, Ppl 2+; **Image 6** – Average digital audience uplift achieved to date following implementation of NewsNow editorial system and processes.

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NEW ZEALAND MEDIA
// LEADING NZ NEWSPAPERS
AND DIGITAL MEDIA



NEW ZEALAND MEDIA

Investing to grow digital while maximising value in print



COSTS

-13%



PRINT ADVERTISING
MARKET SHARE

+0.5%



NZ AUDIENCE
PENETRATION

80%

stuff.co.nz

STUFF.CO.NZ
DIGITAL RANKING

No.5



STUFF.CO.NZ
MOBILE RANKING

No.1



STUFF.CO.NZ
AUDIENCE GROWTH

+64%

Notes (L-R): **Image 1** – Six months to December 2014 versus six months to December 2011; **Image 2** – 12 months to December 2014 versus 12 months to December 2012, SMI Datamonitor; **Image 3** – New Zealanders 15+, Nielsen CMI Q1-Q4 2014; **Image 4** – Nielsen Online Ratings March 15 Monthly Unique Audience 2+ including applications; **Image 5** – Nielsen Market Intelligence Dec 14 (Mobile); **Image 6** – Nielsen Online Ratings March 15 versus March 12.

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MACQUARIE RADIO NETWORK
// LEADING NATIONAL NEWS, TALK,
SPORT AND MUSIC RADIO NETWORK



RADIO

Creating stronger national News, Talk and Sport radio network with leading stations in Sydney and Melbourne

2GB
873AM

SYDNEY
RANKING

No.1

3AW
693

MELBOURNE
RANKING

No.1



TOTAL
AUDIENCE

2.3m



ANNUALISED MERGER
SYNERGY BENEFITS

up to
\$15m



CASH PROCEEDS
FROM 96FM SALE

\$78m

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THE ROAD AHEAD

THE ROAD AHEAD

Develop and build on core strengths, invest and continue transformation



GROW

- Strengthen Domain Group
- Grow verticals (e.g. Life Media & Events)
- Realise full potential of Radio business



TRANSFORM

- Continue the transformation of the publishing business on the print to digital journey
- Deliver efficiencies
- Maintain cost discipline



INVEST

- Develop new growth verticals (e.g. Stan)
- Leverage balance sheet strength

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TRADING UPDATE

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“ Q&A

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THANK YOU

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